

COMMONWEALTH OF MASSACHUSETTS

DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

Proceeding by the Department of Telecommunications
and Energy on its own Motion to Implement the
Requirements of the Federal Communications
Commission's Triennial Review Order Regarding
Switching for Mass Market Customers

D.T.E. 03-60

**AT&T's MOTION TO COMPEL VERIZON RESPONSES
TO AT&T INFORMATION REQUESTS**

AT&T Communications of New England, Inc. ("AT&T") moves for an order compelling Verizon-Massachusetts ("Verizon") to respond to information requests ATT-VZ-2, -5, -24, -25, -26, -27, -28, -31, -50, -58, -131, -132 and -133. These information requests fall into two categories. The first two — ATT-VZ-2 and -5 — seek information bearing on the extent to which, and manner in which, competitive local exchange carriers ("CLECs") are providing service to mass market customers in Massachusetts. These requests are therefore highly relevant to the Department's evaluation of whether, as Verizon claims, the Federal Communication Commission's ("FCC's") self-provisioning trigger for mass market switching has been met in certain areas of Massachusetts, and the Department should compel Verizon to respond to these requests.

The other information requests seek information highly relevant to the Department's determination regarding the adequacy or inadequacy of the hot cut processes proposed by Verizon in this proceeding. Because this information is central to the analysis mandated by the FCC's Triennial Review Order ("TRO"), the Department should also compel Verizon to respond to these discovery requests.

Verizon must demonstrate that it has successfully operationalized a “seamless, low cost” migration process that would permit CLECs to use UNE-L to serve both residential and small business mass-market customers throughout the relevant market.¹ The FCC has already found that current hot cut processes are inadequate. It “conclude[d] that the operational and economic barriers arising from the hot cut process create an *insurmountable disadvantage* to carriers seeking to serve the mass market, demonstrating that competitive carriers are impaired without local circuit switching as a UNE.”² The FCC explained “that the hot cut problem would be particularly great for transferring existing mass market customers in a cost-effective and operationally seamless manner.”³ Furthermore, “[c]ompetition in the absence of unbundled local circuit switching [would] require[] seamless and timely migration not only to and from the incumbent’s facilities, but also to and from [and thus among] the facilities of other competitive carriers.”⁴ In recognition of the fact that current hot cut processes are inadequate to handle the volumes that would be required if CLECs could enter or remain in the local exchange mass market in the absence of unbundled switching, the FCC has ordered state commissions to “approve and implement a batch cut migration process – a seamless, low-cost process for transferring large volumes of mass market customers.”⁵

At the end of this proceeding, the Department must be in a position to determine whether Verizon has eliminated all operational barriers caused by the current hot cut process. These

¹ TRO, ¶ 423.

² TRO, ¶ 475 (emphasis added).

³ TRO, ¶ 467.

⁴ TRO, ¶ 478.

⁵ TRO, ¶ 423.

barriers include, at a minimum, impediments that may arise through unbundled loop provisioning, collocation, or the carrying out of CLEC-to-CLEC cross-connects, cross-connects involving DSL services, and the treatment of IDLC loops.⁶ The contested discovery requests go directly to these issues.

I. INFORMATION REQUESTS BEARING ON SWITCHING IMPAIRMENT

A. Information About the Total Number of Voice-Grade Equivalent (“VGE”) Lines and About the Number of VGE Lines Provisioned to Verizon’s Enterprise and Small Business Customers Should Be Provided.

ATT-VZ-2 seeks information, first, about the total of VGE lines served in each Verizon wire center and then about various subdivisions of these aggregate numbers, including the numbers of VGE lines provisioned to (1) Verizon enterprise and (2) Verizon small business customers in each wire center.⁷ Verizon’s response simply ignores the very first part of ATT-VZ-2; i.e., the response says nothing about the request for the total, aggregate number of VGE lines served in each wire center. AT&T asks that Verizon be compelled to provide this information.

In response to AT&T’s request for the numbers of VGE lines provisioned to Verizon enterprise and Verizon small business customers served in each wire center, Verizon states that these numbers are not available because Verizon “does not separately track the number of customers or voice grade equivalent lines for retail enterprise vs. retail mass market business customers.” Verizon says the same thing in response to similar requests (ATT-VZ-2(b) and (d))

⁶ See *TRO*, ¶¶ 512-514.

⁷ ATT-VZ-2 reads in part: “For each wire center identified in response to ATT-VZ-1, please provide the total number of voice-grade equivalent lines served by Verizon’s switch on a DS0 voice grade equivalent basis, and please subdivide that total into the following categories: (a) the total number of enterprise customers of Verizon served through such switch, and the total number of loops on a DS0 voice grade equivalent basis serving such
(continued...) ”

regarding VGE UNE-P lines provisioned to CLEC enterprise and small business customers. However, Verizon does respond to the latter requests by providing the number of VGE lines provisioned to CLEC business customers on (1) a DSO and (2) a DS1-and-above level. While recognizing that the distinction between DS0-level service and DS1-and-above-level service does not mirror the distinction between small business and enterprise customers, AT&T asks that Verizon be compelled to provide the same information, on a wire center basis, with regard to its own business customers.

B. Information Categorizing CLEC Business Customers According to the Number of DS0 Loops Provisioned to Them is Crucial to Determining the Degree to Which CLECs Serve the Mass Market.

ATT-VZ-5 asks Verizon, with regard to those CLECs that Verizon counts toward meeting the TRO's self-provisioning trigger, to categorize each CLEC's business customers according to the number of loops, up to 24, provisioned to the customer's location or locations.⁸ Verizon's response does not say that Verizon cannot supply this information. Rather, Verizon states that its Line Count Study "does not distinguish between residential and business

(continued...)

customers; ... (c) the total number of mass market small business customers of Verizon served through such switch, and the total number of loops on a DS0 voice grade equivalent basis serving such customers..."

⁸ ATT-VZ-5 reads as follows: "For each CLEC that Verizon has identified in its Initial Panel Testimony regarding Mass Market Switching (dated November 14, 2003) as a self-provider of switching to serve mass market customers, please provide the following information about the CLEC's retail business customers who are served by 24 or fewer DS0 loops at a single location: (a) Specify the number of business customers served by the CLEC by the number of such DS0 loops (i.e., identify the number of business customers with a single loop, with two loops, three loops, etc., through 24 loops). (b) Specify, for each wire center where Verizon claims the self-provisioning trigger for mass market switching has been met, the number of business customers served by the CLEC by the number of DS0 loops, according to the following groupings: (i) The number of business customers with 1 to 4 lines, (ii) The number of business customers with 5 to 8 lines, (iii) The number of business customers with 9 to 16 lines, and (iv) The number of business customers with 17 to 24 lines."

customers” and that “[s]uch an analysis is not necessary to meet the FCC’s trigger for mass market switching.”

Verizon’s self-serving response denies the Department access to information that can help determine the degree to which CLECs use their switches to serve the mass market. Verizon is seeking to present information in a way that prevents relevant analysis of it. First, the TRO defines the mass market as embracing both residential and small business customers. The degree to which CLECs serve each of these sub-markets on a UNE-L basis is clearly relevant to a Department decision on whether CLECs are adequately serving the mass market; Verizon should therefore be compelled to provide information based on the distinction between residential and small business customers. Second, the number of lines that are provisioned to customer locations is crucial to determining whether those locations are properly categorized as mass market. While the TRO does say that service at a DS1-or-above level not mass market, it does *not* say that everything below the DS1 level is mass market; indeed, the TRO requires states to determine the appropriate cut-off for multi-line DS0 customers. TRO, ¶ 497. The information sought by this request will be critical in light of the “cross-over” point that the Department will establish in this proceeding. The Department should compel Verizon to respond to this information request so that it may get neutral information that is susceptible of analysis.

II. INFORMATION REQUESTS BEARING ON HOT CUTS

A. Information About Verizon’s Contemplation of Next Generation Digital Loop Carrier (“NGDLC”) Deployment Is Relevant.

ATT-VZ 24 seeks information about whether or not Verizon has considered deploying NGDLC loops and asks for a description of any deployment or potential deployment of such

arrangements.⁹ Verizon objects to request ATT-VZ 21 as overly broad, unduly burdensome, irrelevant, and outside the scope of the proceeding. This objection lacks merit, however, because Verizon’s plans to deploy NGDLC go directly to (i) the adequacy of the hot cut processes proposed by Verizon, as well as (ii) whether Verizon has taken into account all forward-looking efficiencies that could be gained in the hot cut process.

NGDLC technology has the potential to obviate the need for hot cuts and/or make hot cuts for IDLC loops much more efficient. Verizon’s claim that its NGDLC deployment plans are not relevant prejudices one of the central issues regarding whether Verizon has considered all the alternatives and proposed a forward looking process. With respect to Verizon’s claims of overbreadth and burden, such claims surely do not justify a refusal to answer the first “yes-no” question in ATT-VZ 24. Nor do they justify a refusal to answer the question seeking a description of the hot cut alternatives considered.¹⁰

As stated above, the FCC orders state commissions to approve and implement a hot cut process that seamlessly migrates a large number of mass market customers at low cost.¹¹ The Department will not be in a position to approve the highly manual hot cut process proposed by Verizon as efficient and forward looking without understanding the extent of Verizon’s planned deployment of NGDLC and its potential for making hot cuts more efficient and less costly. As such, Verizon should be compelled to answer ATT-VZ 24.

⁹ ATT-VZ-21 reads as follows: “Has Verizon considered deploying NGDLC arrangements that packetize both the voice and data services? If so, please describe all such alternatives considered and produce all documents that refer, concern, or discuss Verizon’s deployment or potential deployment of NGDLC arrangements that packetize both the voice and data services.”

¹⁰ With respect to the request for documents in this interrogatory, AT&T counsel would be willing to discuss with Verizon counsel a reasonable way to limit this request. AT&T cannot self-limit it without understanding the nature of the documents that Verizon may have and what is or is not burdensome.

B. Information About Verizon's Retiring of Copper Loop Plant is Relevant.

Verizon objects to requests ATT-VZ 25, 26, and 27, all of which concern Verizon's retiring of copper loop plant.¹² Verizon makes identical objections to all three questions, erroneously claiming that the questions are overbroad, irrelevant, and outside the scope of the proceeding mandated by the TRO.

Verizon's refusal to permit CLECs to obtain unbundled access to fiber fed loops makes any plans to retire copper feeder plant highly relevant to the Department's inquiry into the adequacy of Verizon's proposed hot cut processes. Verizon's proposed batch hot cut process does not accommodate fiber fed loops. As a result, the greater the proportion of fiber fed loops in Verizon's inventory, the less satisfactory Verizon's proposed batch process is for satisfying TRO requirements. Moreover, if copper plant is or will be taken out of service in Massachusetts, then that must be taken into account when evaluating claims by Verizon as to the adequacy of proposed hot cut processes for satisfying the TRO requirements that the proposed hot cut process be low cost.¹³ Indeed, Verizon has proposed a significantly higher price for the hot cut of a loop

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¹¹ TRO, ¶ 478.

¹² ATT-VZ 25 reads as follows: "What percentage of Verizon's copper loop or feeder facilities in Massachusetts has been retired, on a per line basis? Please provide the basis for your calculation, including the nature and sources of data used."

ATT-VZ 26 reads as follows: "Describe with specificity Verizon's plans to retire any copper loop plant in Massachusetts. Please provide any documents describing such plans."

ATT-VZ 27 reads as follows: "Please describe with specificity the process Verizon uses in retiring copper loop plant. Please specifically include in your answer the notice Verizon provides to CLECs that provide service to customers using the plant and what options will be available to CLECs providing voice and/or DSL service to customers served by copper loop plant that Verizon plans to retire."

¹³ TRO, ¶ 423.

on fiber fed facilities (IDLC facilities) than one on copper or UDLC facilities. The greater the proportion of loops in Verizon's inventory that are fiber fed, the higher the average price of a hot cut faced by CLECs.

Furthermore, the extent of Verizon's retired copper loop and plans for future copper loop retirement go directly to CLECs' access to loops on which they can provision voice plus DSL services. In fact, in the TRO proceeding before the California Public Utilities Commission, it was determined that questions pertaining to the retirement of copper loop by Verizon were relevant to a "triggers only" impairment case.¹⁴ In reaching that conclusion, the Administrative Law Judge ("ALJ") applied an earlier ALJ ruling defining the scope of a triggers only proceeding:

That ruling defined the scope of the proceeding more broadly than SBC had advocated. Instead of limiting the nine-month proceeding to a mechanical tally of trigger data, the ruling included within the proceeding a second analytical step to consider "exceptional circumstances" as discussed in ¶ 503 of the Triennial Review Order (TRO). As prescribed in ¶ 503, in "exceptional circumstances, the Commission may identify significant barriers that prevent entry by competitors even in markets that facially satisfy the self-provisioning trigger. The Commission may take such circumstances into consideration in defining the relevant markets for trigger analysis.¹⁵

On this basis, the ruling in California found that the ability of CLECs to obtain loops in a manner that will permit them to offer DSL services in competition with the ILEC is relevant to the impairment determination in a triggers only case. Indeed, excluding such information at this

¹⁴ See *Administrative Law Judge's Ruling Regarding Motion to Compel Responses*, Rulemaking 95-04-043 and Investigation 95-04-044 (FCC Triennial Review Nine-Month Phase), dated 12/22/03, at pp. 10,19 (compelling SBC to respond to a question seeking information about its plans to retire copper loop, the number of lines served via DLC for which alternative copper loop facilities are not available, and the technical characteristics of loops). A copy of this ruling is attached to this motion.

¹⁵ *Id.*, at pp. 2-3.

stage would be tantamount to prejudging an issue that the FCC expects state commissions to consider and rule on based on record evidence.

The information sought in these interrogatories is relevant to impairment considerations that the FCC requires states to address, and Verizon should be compelled to answer.

C. Information About the Number of Lines Served by DLC for Which Alternative Copper Loop Facilities are Not Available is Relevant and Not Overly Burdensome.

ATT-VZ 28 asks for the number of lines served by DLC in Massachusetts for which there are no available alternative copper loop facilities.¹⁶ Verizon asserts that a burdensome manual special study would be required in order to obtain this information. The information sought is relevant because it goes directly to the adequacy of Verizon's hot cut process. The amount of alternative copper loop available reflects on Verizon's ability to convert customers efficiently and at low cost as required by the TRO, as well as indicating whether CLECs will be required to find or construct facilities themselves.¹⁷ Moreover, despite a claim by SBC to the contrary, it was determined in California that the lack of availability of alternative copper facilities is relevant to a triggers only case, and SBC was compelled to provide such information.¹⁸

Furthermore, in the New York Hot Cuts Proceeding, 02-C-1425, Verizon provided an answer to an analogous question seeking information about the existing, parallel copper or Universal Digital Loop Carrier ("UDLC") facilities available for hot cut conversions from lines

¹⁶ ATT-VZ 28 reads: "Please provide the number of lines served by DLC in Massachusetts for which alternative copper loop facilities are currently not available."

¹⁷ See TRO, ¶ 423.

¹⁸ *Administrative Law Judge's Ruling Regarding Motion to Compel Responses*, Rulemaking 95-04-043 and Investigation 95-04-044 (FCC Triennial Review Nine-Month Phase), dated 12/22/03, at pp. 12-13.

currently provisioned on IDLC.¹⁹ In that case, Verizon was able to provide the percentage of access lines served from terminals fed by IDLC and was further able to state that those lines had no existing, parallel copper facilities. That Verizon was able to answer this question in New York severely diminishes the weight that should be given to its claim that the request would require a burdensome special study. For these reasons, Verizon should be required to respond to ATT-VZ 28.

D. Information About CLEC's Ability to Add Data Service is Relevant.

ATT-VZ 31 asks for a description of the process by which CLECs providing voice service to a mass market customer using its own switches and leased unbundled loops from Verizon could add data service.²⁰ Verizon objects to this request as overly broad, unduly burdensome, and irrelevant. Verizon's objection is amiss.

If Verizon's future hot cut processes impair a CLEC's ability to offer service to a customer who wishes to transfer both voice and data services, then Verizon will not have

¹⁹ ATT-VZ 14 in 02-C-1425 read: "For the Verizon access lines that are currently provisioned on IDLC technology, please state the percentage of such access lines for which Verizon has existing, parallel copper or [UDLC] facilities available for hot cut conversions."

²⁰ ATT-VZ 31 reads as follows:

"Please describe with specificity the process by which CLECs providing voice service to a mass market customer utilizing its own switches together with unbundled loops leased from Verizon could add data service. Please provide the following information regarding the process:

- (a) Please state whether the process is mechanized or manual. If the process is mechanized, please state whether the service orders flow through the process without manual intervention. If orders do flow through, please state the percentage of the service orders that flow through to completion;
- (b) Please list the recurring and nonrecurring charges the CLEC would incur;
- (c) Please provide the average service outage experienced by the end user customer;
- (d) Please state whether the loop would be reused or whether new facilities would be provisioned;
- (e) Please state whether information in downstream databases, including 911, LIDB and directory listings would be impacted. If your answer is yes, please explain all such effects in detail."

satisfied the FCC’s requirements regarding the adequacy of new hot cut procedures.²¹ As noted above, it was determined in California that the ability of CLECs to obtain loops in a manner that will allow them to offer DSL services in competition with the ILEC is relevant to impairment issues in a triggers-only case.²² The inability of CLECs to design and offer products and services that customers desire, when ILECs are able to do so, constitutes “exceptional circumstances” under ¶ 503 of the TRO warranting a finding of non-impairment even if a simple “count-to-three” triggers test were satisfied.²³ Moreover, where such impairment prevents competition in certain areas or to certain customer groups, it is relevant to market definition in a triggers-only case.

A request for a description of how CLECs using UNE-L could add or transfer data service using Verizon’s proposed hot cut processes is highly relevant to the issues the Department must decide in this proceeding. Verizon should therefore be compelled to respond to ATT-VZ 31.

E. Information Regarding Verizon’s Plans to Augment Tandem Switches to Accommodate a Shift in Traffic Loads is Relevant.

ATT-VZ 50 asks for information about Verizon plans to augment its tandem switching network to accommodate any shift in traffic loads that will result from a finding of non-

²¹ See *TRO*, ¶ 473 where the FCC states that its “national finding of impairment is based on the combined effect of all aspects of the hot cut process on competitors’ ability to serve mass market customers.” Thus, the Commission must be aware of whether or not the proposed process will accommodate requests by customers who seek to transfer both voice and data service to determine if the hot cut process will negatively impact CLECs’ ability to serve mass market customers who have or request both voice and data services.

²² *Administrative Law Judge’s Ruling Regarding Motion to Compel Responses*, Rulemaking 95-04-043 and Investigation 95-04-044 (FCC Triennial Review Nine-Month Phase), dated 12/22/03, p. 10.

²³ See *Administrative Law Judge’s Ruling Regarding Motion to Compel Responses*, Rulemaking 95-04-043 and Investigation 95-04-044 (FCC Triennial Review Nine-Month Phase), dated 12/22/03.

impairment.²⁴ Verizon objects to ATT-VZ-50 as not reasonably calculated to lead to the discovery of admissible evidence and beyond the scope of this proceeding. Once again, Verizon is wrong.

Consistent with the above, the TRO directs state commissions to “examine whether [ILEC] performance in provisioning loops, difficulties in obtaining collocation space due to lack of space or delays in provisioning by the [ILEC], and difficulties in obtaining cross-connects in an incumbent’s wire center, are making entry uneconomic for [CLECs].”²⁵ Thus, information revealing Verizon’s plans for augmenting its tandem switches and the trunk groups between the tandems and Verizon end office switches to accommodate increased traffic migrating from the Verizon network to the CLEC network is directly relevant.

Currently, when CLEC customers served on a UNE-P arrangement make calls, their calls are handled by the local Verizon switch and routed in the same way as Verizon customer calls in the same area. These calls are usually routed through local Verizon switches and do not involve Verizon’s tandem switches. After CLECs enter the market on a UNE-L basis, however, CLEC customer calls will be handled by the CLEC switch, which will then route the call to a Verizon *tandem* switch for eventual delivery to the called party. Currently, Verizon’s tandem switches, and quite possibly its transport arrangements, do not have the capacity to manage this new call flow pattern. As a result, AT&T customers are likely to experience blocking and delays due to

²⁴ The full text of ATT-VZ 50 reads as follows:

What plans, if any, does Verizon have for augmenting its tandem network to accommodate the shift in traffic loads from Verizon switches to CLEC switches to insure that there is no impact on customer service based on the migration of service off of the Verizon network and onto the CLEC network? Please include details regarding tandem switch augments, new tandem switches that will be deployed and the additional tandem-to-end-office transport facilities that will be required.

²⁵ See TRO, ¶ 511.

overloading of Verizon tandem switches. CLEC customers will experience these blocking incidents and the resulting delays as inadequate service. Thus, if – as AT&T strongly believes – hotcutting over thousands of customers to UNE-L will cause CLEC customers to experience delayed calls and unsatisfactory service, then a Verizon proposal that does not address this problem will, if adopted, create a prohibited economic disincentive to market entry. Verizon must present information demonstrating that CLEC customers will not experience delay in the provisioning of service that would cause them to reject CLEC services. For this reason, the Department should compel Verizon to provide any plans it has for augmenting its tandem network to eliminate service complications that will make entry uneconomic for CLECs, or, if it has no such plans, to so state.

F. Information Regarding the Scalability of Verizon’s Hot Cut Process is Relevant.

ATT-VZ-58 asks for information regarding whether Verizon’s proposed hot cut process can be scaled to accommodate conversion of the embedded base of UNE-P customers within 27 months.²⁶ Verizon objects to the question as “beyond the scope of this proceeding and not

²⁶ ATT-VZ-58 reads as follows:

“Please describe what plans Verizon has, in areas where UNE-P is eliminated, for the treatment of UNE-P customers under the following circumstances:

- (a) In COs where the customers’ CLEC service providers currently have no collocation equipment. Please include in your description whether Verizon’s plans include the method and means by which all necessary collocation facilities can be constructed within the 27-month period within which Verizon contends it can cut over the embedded base of UNE-P customers.
- (b) For UNE-P customers of CLECs who have no collocations or network facilities anywhere. Please include in your description whether Verizon’s plans include the method and means by which all necessary collocation facilities can be constructed within the 27-month period within which Verizon contends it can cut over the embedded base of UNE-P customers.”

reasonably calculated to lead to the discovery of admissible evidence.” This assertion is plainly wrong.

The information sought by this question is directly relevant to Verizon’s capacity to handle UNE-P conversions without creating operational or economic barriers to CLEC entry into the mass market. The TRO instructs state commissions to conduct an inquiry into “whether the incumbent LEC (ILEC) is capable of migrating batch cutovers of unbundled loops combined with unbundled local circuit switching to unbundled stand-alone loops for any requesting carrier in a timely manner.”²⁷ The TRO also notes that CLECs would be harmed by a hot cut process that results in “service disruptions...[which will] affect [CLECs’] ability to attract customers.”²⁸ In other words, under the TRO the Department must evaluate Verizon’s ability to migrate UNE-P arrangements to UNE-L arrangements. That is the subject of this discovery request.

Verizon’s Initial Panel Testimony regarding the Hot Cut Process and Scalability asserts that all UNE-P conversions will be accomplished within 27 months of a finding of non-impairment.²⁹ Verizon provides no basis for that bald assertion. ATT-VZ-58 seeks to test this conclusory and unsupported assertion. Verizon refuses, however, to provide further information as to how Verizon will handle hot cuts in central offices and wire centers where AT&T currently has no collocation cages. In addition, Verizon declines to indicate whether or not it will allow AT&T to build collocation facilities where there are currently none, or whether it will allow expansion of current facilities to support the vast volumes of migratory customers that will result from a finding of non-impairment. In short, without this information, the Department cannot

²⁷ See TRO, ¶¶ 488-89.

²⁸ See TRO, ¶ 466.

²⁹ See *Initial Panel Testimony of Verizon Massachusetts (Hot Cuts)*, filed November 14, 2003, at p. 68.

make a finding regarding whether or not the hot cut process impairs CLEC entry into the competitive market.

At issue in this case is not only Verizon's ability to perform each hot cut but also whether or not the hot cut process serves as an economic or operational barrier to market entry for CLECs, which is the reason that the FCC requires a "low cost, seamless" process. Verizon's ability to perform a hot cut is irrelevant if there are no collocation cages to which the loop can be hot cut. Verizon's general proclamation gives no detail as to Verizon's actual capacity to handle a surge in collocation applications and collocation construction necessary to accommodate the increased volumes of hot cuts in a post-UNE-P world. Verizon's inability to handle such a surge would create barriers to entry into the market, the elimination of which the FCC has charged state commissions to effect. For these reasons, the Department should compel, as the New York Public Service Commission did, Verizon to produce its plans for handling the surge in collocation necessary to accommodate hot cut volumes in a world without UNE-P. Unless Verizon's plans in Massachusetts are radically different from its plans in New York (where its compelled response revealed the absence of planning), Verizon's answer here will demonstrate that Verizon has performed no analysis or planning to determine that it would be capable of converting all UNE-L customers to UNE-P within the 27 month period it has claimed it can do in its testimony in order to comply with the FCC's 27 month requirement.

G. Information Regarding Verizon's Pension Plan Actuarial Assumptions is Relevant.

Verizon objects to ATT-VZ 131, which seeks information about Verizon's pension plan actuarial assumptions for 2002 through 2004 and requests a comparison, for each year, of the pension credits and pension costs with an identification of the experienced or anticipated net gain

or loss on Verizon's pension funding.³⁰ The objection claims that the request is overly broad and unduly burdensome, and that the information sought is irrelevant. Again, Verizon's objection is wrong.

The information sought is relevant because it will provide more complete information about Verizon's benefit data. As it stands, although Verizon's benefit data recognizes all of Verizon's embedded costs, it does not recognize all – or any – of Verizon's cost offsets. The data this question seeks will provide a more accurate picture of Verizon's net cost of its employee benefits. AT&T intends to use this data to recalculate Verizon's hot cut labor costs consistent with TELRIC principles. The Department will then be able to assess the reasonableness of Verizon's proposed TELRIC costs.

In addition, in 02-C-1425, Verizon provided answers to two questions that asked for essentially the same information.³¹ In response to these questions in the New York proceeding, Verizon gave a general comparison of its pension credits to costs, provided a general description of its experienced net gain or loss, and quantified that amount. As such, Verizon's objection on

³⁰ The complete text of ATT-VZ 131 reads: "For each year between 2002-2004, please provide Verizon's pension plan actuarial assumptions (actual gains and expectations). For each year, please compare the pension credits with the pension costs and identify the experienced or anticipated net gain or net loss on Verizon's pension funding."

³¹ ATT-VZ-114 read: "For 2002, please provide the Verizon's pension plan actuarial assumptions (actual gains and expectations).
(a) For 2002, please compare the pension credits with the pension costs and state whether Verizon has a net gain or a net loss on its pension funding.
(b) Please quantify the response to part a)."

ATT-VZ-115 read: "For 2003, please provide the Verizon's pension plan actuarial assumptions (actual gains and expectations).
(a) For 2003, please compare the pension credits with the pension costs and state whether Verizon has a net gain or a net loss on its pension funding.
(b) Please quantify the response to part a)."

the basis that providing the response imposes a large burden is disingenuous. For these reasons, the Department should compel Verizon to respond to ATT-VZ 131.

H. Information Regarding Any Studies Conducted By a Party with Whom Verizon Contracted or Simply Any Studies Done Comparing Verizon's Wages, Salaries, and Benefits is Relevant and not Overly Burdensome.

Verizon objects to ATT-VZ 132 and 133 as overbroad, unduly burdensome and irrelevant.³² Like ATT-VZ 28, however, these questions appeared in New York docket 02-C-1425. After objection on the same grounds as those asserted here, the ALJ there in an oral decision required Verizon to make a reasonable effort to respond, and Verizon provided two studies in response to questions identical to the ones asked here.³³ Thus, Verizon's objection that the request is unduly burdensome inherently lacks merit. In addition, this request is relevant because it sheds light on the reasonableness of the cost models Verizon has proposed in its Initial and Supplemental Panel Testimony filed in this docket. In light of Verizon's cooperation in providing a response in New York and of the obvious relevance of this request, Verizon should be required to respond to both ATT-VZ 132 and 133.

³² ATT-VZ 132 reads: "If Verizon has purchased or contracted with any other organization to analyse how Verizon's wages, salaries, and/or benefits compare to those of other companies, please provide the entirety of those studies as well as any correspondence with the organization."

ATT-VZ 133 reads: "Please provide any studies, correspondence, or other information possessed by Verizon that compare Verizon's wages, salaries, and/or benefits to other companies' wages, salaries, and/or benefits."

³³ See Verizon response to ATT-VZ 116PS and ATT-VZ 117S (in which Verizon refers to the response to ATT-VZ 116PS). The text of ATT-VZ 116 is identical to that of ATT-VZ 132 except for the inclusion of correspondence in the requested items. The text of ATT-VZ 117 is identical to that of ATT-VZ 133 except for the inclusion of correspondence in the requested items.

Conclusion

For the reasons stated above, the Department should compel Verizon to respond fully to interrogatories ATT-VZ-2, -5, -24, -25, -26, -27, -28, -31, -50, -58, -131, -132 and -133.

Respectfully submitted,

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